



Republican Policy Committee

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VA-HUD Conference Cuts EPA 4 Percent:

Clinton Claims Cuts Threaten Public Health and the Environment

The conference report for H.R. 2099, VA-HUD and Independent Agencies Appropriations Act FY 1996, was filed on Friday, November 17, 1995. (H. Rept. 104-353.) OMB's Statement of Administrative Policy (SAP) on H.R. 2099, issued Monday, November 20, states that the President will veto the bill if presented to him in its current form. In addition to being adamantly opposed to any version of the bill that does not "restore" funding for the President's own national service program (which currently pays "volunteers" \$26,654 per year [per GAO], of which 92 percent is borne by taxpayers), the SAP also identified several concerns with the EPA provisions of the appropriation conference report, discussed below:

Allegation: *The Administration's SAP states that "this bill includes a 22 percent cut in requested funding for the Environmental Protection Agency."*

Response: Balanced Budget: Live With It. Mere hours after the President's historic commitment to balancing the budget (this time, in a real and legally binding sense), his Administration sent up a SAP that uses as a benchmark the Clinton Administration's pre-104th-Congress spending goals. Rather than returning to old business as usual and trying to convince the public that all problems — except defense — demand ever-higher federal spending, the President should acknowledge that his most recent commitment to balancing the budget will mean spending cuts. As the Senate VA-HUD Appropriations Subcommittee Chairman Christopher S. "Kit" Bond has stated:

They still don't get it. Congress has committed to balancing the federal budget, a position supported by an overwhelming majority of Missourians. But, the President still wants to keep spending more. Old habits are hard to break and he hasn't been able to figure out that you have to cut spending if you are serious about balancing the budget. (Nov. 17, 1995.)

Only 4 Percent Below Last Year. Instead, the proper approach is to compare the conference committee's FY 1996 appropriation level to last year's funding levels. Because of rescissions to EPA's FY 1995 required by PL 104-19, the post-rescission funding level for EPA is \$5.96 billion. The EPA appropriation conference report provides EPA \$5.71 billion (more than either the House or Senate bills), a 4 percent cut from last year.

Less Than Comparable Departments: This percentage reduction being proposed for EPA in FY 1996 is less than the percentage reductions being proposed for the Departments of Transportation, Energy (non-defense activities), Interior, and Commerce.

Allegation: *This bill includes "a 25 percent cut in enforcement that is designed to cripple EPA efforts to enforce laws against polluters."*

Response: EPA Enforcement Duplicative. The conference report has cut non-Superfund enforcement funding by 15 percent from FY 1995 levels, from \$220 million to \$187 million. The National Association of Public Administration (NAPA) report to the Congress (April 1995) pointed to the improvement in the enforcement capabilities of state and local governments and the waste of having a redundant second layer of enforcement imposed by the EPA. The 15 percent reduction is consistent with the NAPA findings and the goal of increasing state and local government authority.

Allegation: *"This bill also includes legislative riders that were tacked onto the bill without any hearings or adequate public input, including one that would prevent EPA from exercising its legislative authority under the Clean Water Act to prevent wetlands losses."*

Response: Adequate Legislative History for Both Riders. Although both the House and Senate appropriation bills contained a number of so-called legislative "riders," including the controversial list of 17 riders in the House bill, the conference report states that "no legislative provisions as proposed by the House and stricken by the Senate have been included in this new account." (Page 66). Instead, the conference report contains only two riders of any significance:

Corps Wetlands Permits Streamlined: The conference report eliminates the EPA veto over a decision made by the Corps of Engineers with respect to issuing a section 404 "wetlands" permit under the Clean Water Act, a provision that was included in the Senate-passed bill. In addition, this language was included in the House-passed Clean Water Reauthorization Act, H.R. 961. This EPA veto has only been used 11 times in the tens of thousands of individual permits issued since 1972. The appropriation bill does not change the requirement that the Corps must consult with the EPA and the Fish and Wildlife Service before the Corps may issue a 404 permit. Moreover, the rider does not change the substantive decision-making criteria to be followed by the Corps, including the requirement to follow the EPA-developed wetlands guidelines. Nor does the rider affect the state authorities provided in section 401 of the Clean Water Act. The rider simply eliminates the redundancy of the EPA's duplication of the administrative efforts of the Corps, and reduces the potential for excessive regulatory burdens and uncertainties facing private property owners.

Delays Radon Drinking Water Standards: The conference report also included language that delays the issuance of new drinking water standards for radon. This language is an extension of the moratorium included in last year's appropriation bill. The

radon issue is addressed by S. 1316, Safe Drinking Water Amendments Act, which was reported by a 16 to 0 vote from the Committee on Environment and Public Works on November 7, 1995. (Calendar No. 226.)

Allegation: *The bill cuts Superfund by 25 percent, "which would result in the continued exposure of hundreds of thousands of citizens to dangerous chemicals."*

Response: Reductions Are Appropriate. The conferees cut last year's post-rescission Superfund funding level by only 13 percent, from \$1.32 billion to \$1.15 billion, and directed the EPA to "prioritize resources, to the greatest extent possible, on NPL [Superfund National Priority List] sites posing the greatest risk." The conferees noted that, "based on figures supplied by EPA, this appropriation is more than sufficient to continue all scheduled work . . . on all sites currently on the NPL, as well as deal adequately and appropriately with all emergency response needs." (Pages 71-72.) The conference report places a moratorium on adding new sites to the NPL to avoid compounding the administrative difficulties and wasted funds associated with the current program.

Allegation: *The bill contains a "\$762 million reduction in funds that were requested to go directly to the States and needy cities for clean water and drinking water needs, such as assistance to clean up Boston Harbor."*

Response: Same Reduction as EPA — 4 Percent. The conferees only marginally decreased funding from last year's levels for the wastewater and drinking water state revolving fund (SRF) accounts. After last spring's rescission, the two accounts contained about \$1.46 billion for FY 1995. The conferees funded the two accounts at \$1.40 billion for FY 1996, a 4 percent decrease. The separately earmarked **Boston Harbor** project was funded at \$25 million for FY 1996, compared to \$100 million in FY 1995. So far, this project has received almost \$700 million in federal appropriations. The lower funding level for FY 1996 will mean that more funds in the SRF will be available for distribution to all states according to the fund's formula.

Allegation: *"The Administration strongly opposes the bill's more than 50 percent cut for the Council for Environmental Quality."*

Response: Amount is Adequate. The conferees did cut the CEQ funding from \$2 million in FY 1995 to \$1 million for FY 1996. This is the same agency that President Clinton tried to eliminate in 1993. Both the House and the Senate provided \$1 million. As explained in the Senate report, "the amount provided will permit CEQ to carry out its primary statutory functions, without duplicating other agencies' efforts."

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